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November 15, 2024

Via ECF

Hon. Marcia M. Henry United States Magistrate Judge United States District Court Eastern District of New York

Re: Allstate Ins. Co., et al. v. Accelerated Surg. Ctr. of N. Jersey, LLC, et al.,

Index No. 23-CV-6194 (EK) (MMH)

Plaintiffs' Second Status Report as to Non-Appearing Defendants

Dear Judge Henry:

We represent the Plaintiffs Allstate Insurance Company, Allstate Indemnity Company, Allstate Property & Casualty Insurance Company, and Allstate Fire & Casualty Insurance Company ("Plaintiffs") in this action, and we write to respectfully submit this Status Report in accordance with the Court's Order of October 28, 2024.

Specifically, we write to update the Court regarding the remaining named Defendants who/that have not answered or otherwise appeared in this action: the individual Kristappa Sangavaram, M.D. ("Dr. Sangavaram"); and the entities Bedford Medical Services P.C., Elmwood Park Medical Group P.C., Molnar Medical Services P.C., Riverside Medical Services P.C., Tremont Medical Services, P.C., and Tristate Multispecialty Medical Services PC (the "PC Defendants"). Dr. Sangavaram is the record owner of each of the PC Defendants.

Through discussions by Plaintiffs' counsel with a prior attorney for Dr. Sangavaram, as referenced in our Status Report of October 15, 2024 (ECF No. 44), Plaintiffs were put in contact with another attorney who represents Dr. Sangavaram as the debtor in a title 11, chapter 13 case pending in the United States Bankruptcy Court for the District of New Jersey. <u>In re Sangavaram</u>, No. 23-16199 (JKS) (Bankr. D.N.J.). We have been advised by Dr. Sangavaram's bankruptcy counsel that the automatic stay, 11 U.S.C. § 362, remains in effect to the extent of Plaintiffs' causes

of action herein against Dr. Sangavaram. We have not been advised that there is any such stay as to Dr. Sangavaram's PC Defendants, or that any of the PC Defendants is a debtor in any pending bankruptcy case.

Plaintiffs are now engaged in discussions with Dr. Sangavaram's bankruptcy counsel that may lead to a full resolution of this action as to not only Dr. Sangavaram but also the PC Defendants. Counsel have exchanged a general framework for settlement of all remaining causes of action herein, and these discussions remain ongoing. However, any such settlement may require the approval of, and/or other proceedings in, the Bankruptcy Court presiding over Dr. Sangavaram's case.

For these reasons, Plaintiffs respectfully request that the Court allow an additional period of six (6) weeks to proceed with these discussions and to potentially reach a settlement of all remaining disputes in this action. If the parties are able to complete a settlement before such date, Plaintiffs will promptly advise the Court.

Respectfully submitted,

SHORT & BILLY, P.C.

By: Andrew S. Midgett, Esq.

Attorneys for Plaintiffs